

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1007 be amended to read as follows:

1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:

3 "SECTION 1. IC 6-1.1-12-18, AS AMENDED BY P.L.90-2002,
4 SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 18. (a) If the assessed value of residential real
6 property described in subsection (d) is increased because ~~it~~ **the**
7 **property** has been rehabilitated, the owner may have deducted from the
8 assessed value of the property an amount not to exceed the lesser of:

9 (1) the total increase in assessed value resulting from the
10 rehabilitation; or

11 (2) nine thousand dollars (\$9,000) per rehabilitated dwelling unit.

12 The owner is entitled to this deduction annually for a five (5) year
13 period.

14 (b) For purposes of this section, the term "rehabilitation" means
15 ~~significant~~ repairs, replacements, **remodelings, additions, or other**
16 improvements to an existing structure ~~which are intended to that~~
17 increase the ~~livability, utility, safety, or~~ value of the property. ~~under~~
18 ~~rules adopted by the department of local government finance.~~

19 (c) For the purposes of this section, the term "owner" or "property
20 owner" includes any person who has the legal obligation, or has
21 otherwise assumed the obligation, to pay the real property taxes on the
22 rehabilitated property.

23 (d) The deduction provided by this section applies only for the
24 rehabilitation of residential real property which is located within this

state and which is described in one (1) of the following classifications:

(1) a single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand dollars (\$18,000);

(2) a two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed twenty-four thousand dollars (\$24,000); and

(3) a dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed nine thousand dollars (\$9,000) per dwelling unit

(e) If an assessed value increase referred to in subsection (a) is attributable to both rehabilitation and:

(1) a general reassessment of real property under IC 6-1.1-4-4; or

(2) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5;

the township assessor shall determine the amount of the increase attributable to rehabilitation for purposes of determining the deduction provided by this section. In making the determination under this subsection, the township assessor shall consider any information contained in the application under section 20(e) of this chapter."

Page 2, after line 42, begin a new paragraph and insert:

"(e) The application required by this section may contain information to assist the township assessor in making the determination under section 18(e) of this chapter, including:

(1) fair market value appraisals before and after the rehabilitation; and

(2) general market data on the extent to which particular types of rehabilitation add to the value of a dwelling."

Page 3, line 1, delete "(e)" and insert "(f)".

Page 3, line 9, delete "(f)" and insert "(g)".

Page 3, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-12-22, AS AMENDED BY P.L.90-2002, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) If the assessed value of property is increased because ~~it~~ **the property has been rehabilitated and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period. However, the**

maximum deduction which a property owner may receive under this section for a particular year is:

- (1) sixty thousand dollars (\$60,000) for a single family dwelling unit; or
- (2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means ~~significant~~ repairs, replacements, **remodelings, additions, or other** improvements to an existing structure that ~~are intended to~~ increase the ~~livability, utility, safety, or~~ value of the property. ~~under rules adopted by the department of local government finance.~~

(d) If an assessed value increase referred to in subsection (a) is attributable to both rehabilitation and:

- (1) a general reassessment of real property under IC 6-1.1-4-4; or**
- (2) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5;**

the township assessor shall determine the amount of the increase attributable to rehabilitation for purposes of determining the deduction provided by this section. In making the determination under this subsection, the township assessor shall consider any information contained in the application under section 24(e) of this chapter."

Page 4, between lines 29 and 30, begin a new paragraph and insert:

"(e) The application required by this section may contain information to assist the township assessor in making the determination under section 22(d) of this chapter, including:

- (1) fair market value appraisals before and after the rehabilitation; and**
- (2) general market data on the extent to which particular types of rehabilitation add to the value of property."**

Page 4, line 30, delete "(e)" and insert "(f)".

Page 4, line 38, delete "(f)" and insert "(g)".

Page 8, between lines 2 and 3, begin a new line block indented and insert:

"(2) "Assets":

(A) include:

- (i) real property, other than the homestead with respect to which a qualifying individual applies for a credit under this section;**

- (ii) cash;
- (iii) savings accounts;
- (iv) stocks;
- (v) bonds; and
- (vi) any other investment; and

(B) do not include:

- (i) the cash value of life insurance policies on the life of the qualifying individual or the qualifying individual's spouse; and

- (ii) tangible personal property."

Page 8, line 3, delete "(2)" and insert "(3)".

Page 8, line 4, delete "(3)" and insert "(4)".

Page 8, line 6, delete "(4)" and insert "(5)".

Page 8, line 8, delete "(5)" and insert "(6)".

Page 8, delete lines 13 through 14, begin a new line block indented and insert:

"(7) "Net worth" means the remainder of:

- (A) the sum of the current market value of all assets;**
- minus**

- (B) all outstanding liabilities.**

(8) "Qualifying individual" means an individual who:

- (A) is liable for the payment of property taxes on a qualifying homestead; and**

- (B) is not married and has a net worth, or has a net worth in combination with the net worth of the individual's spouse, of less than two hundred thousand dollars (\$200,000) as of December 31 of:**

- (i) with respect to real property, the year that precedes by two (2) years the year for which the individual wishes to obtain the credit under this section; and**

- (ii) with respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the year that immediately precedes the year for which the individual wishes to obtain the credit under this section."**

Page 8, line 15, delete "(7)" and insert "(9)".

Page 8, line 26, delete "(8)" and insert "(10)".

Page 9, line 15, delete "during the twelve (12)" and insert **"after January 1 and before"**.

Page 9, line 16, delete "months preceding".

Page 9, line 20, delete "during the twelve (12) months preceding" and insert **"after January 1 and before"**.

Page 10, between lines 2 and 3, begin a new line block indented and

1 insert:
2 **"(6) Proof of net worth as of the date specified in subsection**
3 **(a)(8)(B):**
4 **(A) in a form determined by the department of local**
5 **government finance; and**
6 **(B) including:**
7 **(i) income tax returns or other evidence detailing gross**
8 **income; and**
9 **(ii) other documentation as determined by the**
10 **department of local government finance."**
11 Page 10, line 3, delete "(6)" and insert "(7)".
12 Renumber all SECTIONS consecutively.
(Reference is to HB 1007 as printed January 13, 2004.)

Representative Orentlicher